

Defense Security Cooperation Agency NEWS RELEASE

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Hungary - Support for F-16A/B Aircraft

On 18 June, the Defense Security Cooperation Agency notified Congress of a possible Foreign Military Sale of equipment and services to support a possible lease of aircraft by the Hungarian Air Force.

The Government of Hungary has requested a possible sale of four F-16A Block 10 operational capabilities upgrade aircraft for cannibalization and regeneration/upgrade of aircraft and engines, together with spare and repair parts, devices, support equipment, publications and technical documentation, personnel training and training equipment, U.S. Government and contractor engineering and logistics personnel services and other related elements of logistics support in support of an F-16 lease. The estimated cost is \$370 million.

This proposed sale will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of Hungary while enhancing weapon system standardization and interoperability with U.S. forces.

The Hungarian Air Force (HAF) currently operates MiG-29 aircraft. These former Warsaw Pact fighters are expensive to operate and maintain, lack essential NATO interoperability capabilities, and are nearing the end of their useful service lives. This proposed sale and the associated lease aircraft will enhance NATO interoperability while simultaneously providing operational capabilities as the Soviet-era aircraft in Hungarian inventory are eventually retired. This proposed sale would not impact the regional military balance of power. It will also allow the HAF to meet training requirements, as well as national air defense and NATO commitments, starting in early 2004.

The principal contractors will be Lockheed Martin Tactical Aircraft Systems of Fort Worth, Texas and Pratt and Whitney of East Hartford, Connecticut. One or more proposed offset agreements may be related to this proposed sale.

Implementation of this proposed sale will require the assignment of 11 U.S. Government and two contractor representatives for a period of up to three years to provide program support commencing with delivery of the aircraft to Hungary.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale